

## Work Requirements in Medicaid Waivers: These Aren't About Work

By Dee Mahan

CMS has approved work requirements (sometimes spun as “community engagement” requirements) in three states: Arkansas, Kentucky and Indiana. Eight additional states have similar requests pending, and CMS appears likely to approve those requests, as well. Litigation challenging executive branch authority to approve work requirements—rules that are contained nowhere in Medicaid law—have also begun.

Regardless of the rhetoric surrounding them, state work requirement requests are really about cutting Medicaid.

### What's in state work requirement requests

States' work requirement requests are different, but share certain similarities.

In order to keep Medicaid health insurance under these new requirements, adults need to work a certain number of hours, or spend a certain number of hours in volunteer community service or searching for a job. Typically there are limited exceptions for people who have a disability, are family caregivers, students. Importantly, enrollees have new obligations to document hours worked, volunteered or their eligibility for exemptions.

People who lose Medicaid because they don't meet the work requirement (or fail to submit the required paperwork to show they are working or fall under an exemption) will be disenrolled from Medicaid and barred from coverage for a period or until they comply.

### Work requirements are not about putting people to work; they are about cutting Medicaid

States asking for work requirements in Medicaid claim these programs will help people find a job and improve their financial security, and that in turn will improve their health. There is no evidence to support those claims.

There is no evidence that taking health care coverage away from people, or continually threatening them with the loss of health care coverage, will help them find a job or gain greater financial independence. Nor is there evidence that requiring large amounts of paperwork in order for people to keep Medicaid will help them find a job or gain greater financial independence.

There is, in contrast, substantial evidence that health coverage through Medicaid helps people work and

improves their financial security. There is also decades of evidence that added paperwork makes it harder for people to keep Medicaid coverage, and keeps many from enrolling in the first place.

**Medicaid helps people work.** In a [comprehensive assessment](#) of Ohio's Medicaid expansion program, 52.1 percent of expansion enrollees said that Medicaid coverage made it easier for them to get and keep employment.

In surveys of unemployed Medicaid expansion enrollees in Ohio and Michigan, the majority (74.8 percent in Ohio and 55 percent in Michigan) said that [having Medicaid coverage made it easier for them to look for work](#).

**Medicaid improves families' financial security.** Medicaid is like all health insurance—it helps protect enrollees from medical costs. That helps improve enrollees financial security.

- » [Two studies](#) of the impact of Medicaid expansion on financial health found that Medicaid expansion is associated with a significant reduction in unpaid medical bills, a decline in credit card debt, and a decline in debts sent to collections.
- » Medicaid expansion is [associated with](#) reduced medical debt and improved finances among enrollees.
- » [Ohio's assessment](#) of Medicaid expansion enrollees found that Medicaid coverage helped enrollees finances: 22.9 percent of expansion enrollees said their financial situation improved. Medicaid also made it easier for enrollees to

afford other life essentials: 58.6 percent said Medicaid coverage made it easier for them to purchase food; 48.1 percent said it made it easier for them to pay rent or a mortgage; and, 44.8 percent of enrollees with medical debt said that with Medicaid expansion, they saw that debt end.

**Paperwork stymies Medicaid enrollment and cause people to drop coverage.** When states [add paperwork](#) requirements to Medicaid, enrollment falls. That will happen with Medicaid work requirements, too. And enrollment will likely fall across the board—including for enrollees who are already working and have to document hours worked; for people with disabilities, caregivers or others who fall into exemptions and have to prove they are exempt; and for people who are meeting the work requirement and have to continually prove the hours they are working, volunteering or searching for a job.

**These requirements create a lot of unnecessary bureaucracy—especially considering that most Medicaid enrollees are already working.** There is no question that the [byzantine paperwork requirements](#) will increase program costs for taxpayers, grow bureaucracy, cause enrollees across the board to lose health coverage and others to simply not enroll. All this is being done to target a sliver of Medicaid enrollees. [80 percent of adults in Medicaid live in working families](#) and most who are not working have a major work impediment, such as poor health, a disability, or caregiving responsibilities.

The bottom line is that work requirements in Medicaid aren't about helping people get back to work. They are about cutting people off coverage.